

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 94-0010 CS

Controlled Substance Excise Tax

For Tax Period: 12/03/93

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ISSUE

I. Controlled Substance Excise Tax – Imposition

Authority: IC 6-7-3-5; IC 6-7-3-6; IC 6-8.1-5-1

Taxpayer protests the imposition of the controlled substance excise tax.

STATEMENT OF FACTS

On December 3, 1993, taxpayer was arrested by the Lynn, Indiana Police Department and charged with possession of marijuana. On December 14, 1993, the Department assessed the controlled substance excise tax against the taxpayer based on a weight of 31.70 grams of marijuana. Taxpayer protested this assessment.

The Department scheduled an administrative hearing for August 27, 1998. Taxpayer failed to appear at the administrative hearing. This Letter of Findings is written based on the best information available to the Department. Additional information will be provided below, as necessary.

I. Controlled Substance Excise Tax – Imposition

DISCUSSION

Indiana Code Section 6-7-3-5 states:

The controlled substance excise tax is imposed on controlled substances that are:

- (1) delivered,
- (2) possessed, or
- (3) manufactured;

in Indiana in violation of IC 35-48-4 or 21 U.S.C. 841 through 21 U.S.C. 852.

Pursuant to Indiana Code Section 6-7-3-6:

"The amount of the controlled substance excise tax is determined by:

- (1) the weight of the controlled substance. . ."

Taxpayer was arrested and the controlled substance excise tax was assessed based on 31.70 grams of marijuana.

Pursuant to IC 6-8.1-5-1(b), "The notice of proposed assessment is prima facie evidence that the department's claim for the unpaid tax is valid. The burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made."

Taxpayer protested the assessment but failed to appear at the administrative hearing and present evidence that the assessment was invalid. As such, the taxpayer failed to meet his burden.

FINDING

Taxpayer's protest is denied.